



Senate

General Assembly

February Session, 2012

File No. 337

Senate Bill No. 393

Senate, April 10, 2012

The Committee on Human Services reported through SEN. MUSTO of the 22nd Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING REPAYMENT OF STATE AID BY A
RECIPIENT WHOSE DEATH IS CAUSED BY THE STATE'S
NEGLIGENCE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-93 of the 2012 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective July 1, 2012*):

4 (a) If a beneficiary of aid under the state supplement program,
5 medical assistance program, aid to families with dependent children
6 program, temporary family assistance program or state-administered
7 general assistance program has or acquires property of any kind or
8 interest in any property, estate or claim of any kind, except moneys
9 received for the replacement of real or personal property, the state of
10 Connecticut shall have a claim subject to subsections (b) and (c) of this
11 section, which shall have priority over all other unsecured claims and
12 unrecorded encumbrances, against such beneficiary for the full
13 amount paid, subject to the provisions of section 17b-94, to the

14 beneficiary or on the beneficiary's behalf under said programs; and, in
15 addition thereto, the parents of an aid to dependent children
16 beneficiary, a state-administered general assistance beneficiary or a
17 temporary family assistance beneficiary shall be liable to repay, subject
18 to subsection (c) of this section and the provisions of section 17b-94, to
19 the state the full amount of any such aid paid to or on behalf of either
20 parent, the beneficiary's spouse, and the beneficiary's dependent child
21 or children, as defined in section 17b-75. The state of Connecticut shall
22 have a lien against property of any kind or interest in any property,
23 estate or claim of any kind of the parents of an aid to dependent
24 children, temporary family assistance or state-administered general
25 assistance beneficiary, in addition and not in substitution of its claim,
26 for amounts owing under any order for support of any court or any
27 family support magistrate, including any arrearage under such order,
28 provided household goods and other personal property identified in
29 section 52-352b, real property pursuant to section 17b-79, as long as
30 such property is used as a home for the beneficiary and money
31 received for the replacement of real or personal property, shall be
32 exempt from such lien.

33 (b) Any person who received cash benefits under the aid to families
34 with dependent children program, the temporary family assistance
35 program or the state-administered general assistance program, when
36 such person was under eighteen years of age, shall not be liable to
37 repay the state for such assistance.

38 (c) No claim shall be made, or lien applied, against any payment
39 made pursuant to chapter 135, any payment made pursuant to section
40 47-88d or 47-287, any moneys received as a settlement or award in a
41 case brought by, or on behalf of, a beneficiary whose death was caused
42 by the negligence of the state, a housing or employment or public
43 accommodation discrimination case, any court-ordered retroactive rent
44 abatement, including any made pursuant to subsection (e) of section
45 47a-14h or section 47a-4a, 47a-5 or 47a-57, or any security deposit
46 refund pursuant to subsection (d) of section 47a-21 paid to a
47 beneficiary of assistance under the state supplement program, medical

48 assistance program, aid to families with dependent children program,
49 temporary family assistance program or state-administered general
50 assistance program or paid to any person who has been supported
51 wholly, or in part, by the state, in accordance with section 17b-223, in a
52 humane institution.

53 (d) Notwithstanding any provision of the general statutes,
54 whenever funds are collected pursuant to this section or section 17b-
55 94, and the person who otherwise would have been entitled to such
56 funds is subject to a court-ordered current or arrearage child support
57 payment obligation in a IV-D support case, such funds shall first be
58 paid to the state for reimbursement of Medicaid funds granted to such
59 person for medical expenses incurred for injuries related to a legal
60 claim by such person which was the subject of the state's lien and such
61 funds shall then be paid to the Bureau of Child Support Enforcement
62 for distribution pursuant to the federally mandated child support
63 distribution system implemented pursuant to subsection (j) of section
64 17b-179. The remainder, if any, shall be paid to the state for payment of
65 previously provided assistance through the state supplement program,
66 medical assistance program, aid to families with dependent children
67 program, temporary family assistance program or state-administered
68 general assistance program.

69 (e) The Commissioner of Social Services shall adopt regulations, in
70 accordance with chapter 54, establishing criteria and procedures for
71 adjustment of the claim of the state of Connecticut under subsection (a)
72 of this section. The purpose of any such adjustment shall be to
73 encourage the positive involvement of noncustodial parents in the
74 lives of their children and to encourage noncustodial parents to begin
75 making regular support payments.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	July 1, 2012	17b-93
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Joint Favorable

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 13 \$	FY 14 \$
Dept. of Administrative Services	GF - Revenue Loss	Potential Significant	Potential Significant
State Comptroller – Adjudicated Claims Account; Various Other Agencies	GF - Cost	Potential Significant	Potential Significant

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a potential significant fiscal impact to the state. The bill prevents the Department of Administrative Services from recouping public assistance payments from the proceeds of a cause of action brought by, or on behalf of, a recipient whose death was caused by the state's negligence. This may result in: 1) an increased cost to the Adjudicated Claims account due to payouts that would have otherwise been reduced by a lien, and 2) revenue loss due to the inability to collect against a lien.

Based on a retrospective review of thirteen wrongful death cases settled in the past ten years, the actual recovery of money for the State was approximately \$570,000 and the estimated savings to the state in settlements based on the existence of liens was approximately \$9.1 million.¹ Similar future recoveries and savings to the state would be lost as a result of the bill. The extent of these losses would depend upon the settlement amount of each wrongful death claim made against the state as well as the value of any state lien against the

deceased which would not be recouped and/or used to offset the final settlement amount.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of claims.

Sources: Office of the Attorney General

¹ Information is provided as a representative sample – does not encompass all of the wrongful death cases handled by the Office of the Attorney General over the last decade. Data is not available for all wrongful death cases since the state does not track this information after a case is closed.

OLR Bill Analysis**SB 393*****AN ACT CONCERNING REPAYMENT OF STATE AID BY A RECIPIENT WHOSE DEATH IS CAUSED BY THE STATE'S NEGLIGENCE.*****SUMMARY:**

This bill creates an exception to the law that gives the state a claim to property acquired by a current or former public assistance beneficiary or his or her legally liable relative. The amount of the claim is equal to the full amount of assistance paid, plus any unpaid child support.

The bill prohibits the state from making a claim or applying a lien against the proceeds of a settlement or award in a case brought by, or on behalf of, a beneficiary whose death was caused by the state's negligence.

EFFECTIVE DATE: July 1, 2012

COMMITTEE ACTION

Human Services Committee

Joint Favorable

Yea 10 Nay 6 (03/22/2012)